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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Applicant: LOWENSTEIN, M
Serial No: 08/422,360
Filed: 04/17/95
Group Art Unit: 2836
Examiner: HUYNH, K
Title: ELECTRICAL FILTER/PROTECTOR, AND METHODS OF
CONSTRUCTING AND UTILIZING SAME

SECOND BRIEF ON APPEAL UNDER 37 CFR 1.192

Box AF
Assistant Commissioner for Patents
Washington, D.C. 20231

Sir:

In accordance with 37 CFR 1.192 and in response to the final rejection of 9/10/01, the Advisory Action of 2/22/02, and the Office Action of 7/30/02, please enter the following Second Brief on Appeal for the above-identified patent application.

REAL PARTY IN INTEREST

The real party in interest is Harmonics Limited, LLC, who is the assignee of the inventor Michael Z. Lowenstein.

RELATED APPEALS AND INTERFERENCES

Appeal No. 1997-1187 filed 3/28/96 (Decision on Appeal, rendered 7/25/00) may have a bearing on the Board's decision in the present appeal.

STATUS OF CLAIMS

This patent application was filed 10/16/00 as a Continued Prosecution Application, accompanied by a Preliminary Amendment-A which cancelled all of the previous claims and substituted therefor new claims 22-41.

Claims 23-25, 27, 28, 30-32 and 40-41 were cancelled without prejudice, and without abandonment or dedication of the subject matter thereof, by Amendment-B filed 3/26/01.

Claim 36 was cancelled without prejudice, and without abandonment or dedication of the subject matter thereof, by Amendment-C filed 8/24/01.

The claims presently pending in the application are claims 22, 26, 29, 33-35, and 37-39.

Claims 33-35 and 37-38 are allowed.

Claims 22, 26, 29 and 39 are the subject of this appeal.

STATUS OF AMENDMENTS

In response to the Final Rejection of 9/10/01, applicant filed on 1/9/02 a Response Under 37 CFR 1.116 accompanied by a Declaration of John A. DeDad.

An Advisory Action having a mailing date of 2/22/02, states: "The reply filed fails to place this application in condition for allowance"; "The affidavit or exhibit will NOT be considered because it is not directed SOLELY to issues which were newly raised by the Examiner in the final rejection"; and "The issue regarding the elimination (sic) of the need to replace existing branch

circuit wiring or increase neutral conductors and redistributing existing load on an existing delta-wye transformer is a new issue”.

SUMMARY OF INVENTION

The present invention relates to a device for optimizing the operation of a nonlinear load, and particularly to a device which substantially eliminates neutral currents in an electrical power system.

FIGS.1-3 show completely-passive parallel resonant circuits 10 which are connected in series with nonlinear loads 8 in an electrical power system. Each circuit 10 is connected along a separate phase line of the power system, as shown in FIG. 3. Each circuit 10 comprises a parallel combination of reactor 1, capacitor 2, and resistor 3, tuned to the third harmonic of the AC power source frequency (page 4, lines 22-28).

In multiple phase electrical power systems, when the fundamental currents in all three phase lines are of equal magnitude, the neutral line carries no current. However, when harmonic currents are being drawn by nonlinear loads, certain harmonic currents do not cancel in the neutral line but instead are added therein. When tuned to the third harmonic, circuit 10 prevents the nonlinear load from drawing third harmonic currents, so the nonlinear load is forced to change the way in which it draws current in order to compensate for the suppression of third harmonic currents (page 6, lines 1-3 and 14-17). The resulting waveform of the current drawn by the nonlinear load, which more closely resembles the AC source frequency, does not effect the performance of the load (page 6, lines 23-26). When circuit 10 is tuned to the third harmonic of the source frequency, not only are the third harmonic currents reduced in the neutral line, but also neutral currents at other harmonic frequencies (page 7, lines 3-7).

One aspect of the invention includes a means for connecting the device to a nonlinear load. The connecting means may, for example, comprise a rack panel member having a perforated portion, (FIG. 7). In this way, the invention may replace a cooling panel so as to improve system performance without sacrificing airflow and/or additional equipment rack space (page 9, lines 13-18).

Another aspect of the invention comprises a mounting plate 41, a face plate 40 and connectors 42 (FIG. 11) for connection to the phase and neutral lines leading to the AC source (page 9, lines 19-23).

Another aspect of the invention includes a means, connected to circuit 10, for controlling current drawn by loads such as laser printers or copying machines, comprising high current limiting circuit 80, which is connected to circuit 10; current sensor 81, which detects high peak current levels drawn from load 82 and activates current limiter 80 upon a detection thereof (FIG. 13). When load 82 is not drawing high currents, sensor 81 switches current limiting circuit 80 from the system (page 10, lines 20-30; page 11, lines 1-14).

ISSUES

Applicant presents the following issues for review:

1. Are claims 22, 26, 29 and 39 properly rejected under 35 USC 103(a) as being unpatentable over applicant's specification page 1, lines 11-18, in view of Stacey et al. US Patent 3,849,677 and Thanawala US Patent 3,881,137?
2. Are claims 22, 26, 29 and 39 properly rejected on the ground of res judicata?
3. Does the decision rendered 7/25/00 (pages 3-14) address all the arguments reiterated in the remarked (sic) filed 8/2/401(sic), as alleged in item 4(a) of the final rejection?

4. Which declaration is referred to in item 4(b) of the final rejection?

5. Are the facts presented by the unidentified declaration not germane to the rejection at issue, as alleged in item 4(b)(i) of the final rejection?

6. Does the unidentified declaration include statements which amount to an affirmation that the claimed subject matter functions as it was intended to function, as alleged in item 4(b)(ii) of the final rejection?

7. Does the unidentified declaration: state that the claimed subject matter solved a problem that was long-standing in the art; make no showing that others of ordinary skill in the art were working on the problem and if so, for how long; make no showing that persons skilled in the art who were presumably working on the problem knew of the teachings of the above cited references and still were unable to solve the problem; as alleged in item 4(b)(iii) of the final rejection?

8. Does the unidentified declaration fail to prove that the commercial success is due to the merits of the claimed invention and not the marketing of the product itself, as alleged in item 4(b)(iv) of the final rejection?

9. Which declaration, if any, is included in “the totality of the rebuttal evidence of nonobviousness” mentioned in the last sentence of item 4 of the final rejection?

10. Does the totality of the rebuttal evidence of nonobviousness fail to outweigh the evidence of obviousness, as alleged in the last sentence of item 4 of the final rejection?

GROUPING OF CLAIMS

Rejected claims 22, 26 and 29 stand or fall together.

Rejected claim 39 should be separately considered because independent claim 39 additionally requires “a housing member for said completely-passive power resonant circuit; and means for connecting the nonlinear load to said completely-passive power resonant circuit.”

ARGUMENT

Issue No. 1: - Are claims 22, 26, 29 and 39 properly rejected under 35 USC 103(a) as being unpatentable over applicant's specification page 1, lines 11-18, in view of Stacey et al. US Patent 3,849,677 and Thanawala US Patent 3,881,137?

In the Office Action of 4/30/01, the Examiner asserted that "applicant's admitted prior art" was the entire patent application of applicant, namely page 1, lines 1 et seq. In contrast, the final rejection, for the first time, asserts that applicant's admitted prior art is only page 1, lines 11-18.

Specification page 1, lines 11-18, state:

"In electrical power systems, harmonic currents are often created due to the presence of nonlinear loads located therein. In some instances, significant levels of third order harmonic currents are created in electrical power systems having single phase nonlinear loads, which may often approach the level of the fundamental frequency current. Such third order harmonic currents adversely effect (sic) the performance of power systems by causing the peak voltage of the power lines to flatten, thus disrupting the operation of nonlinear loads, such as single-phase switching power supplies and corresponding devices connected thereto."

The Examiner concedes that Stacey and Thanawala, standing alone, would not make applicant's claims unpatentable.

In addition, there is no motivation to combine Stacey and Thanawala. Indeed, even if there was some motivation to combine Stacey and Thanawala, such combination, standing alone, would not result in the invention as specified in the rejected claims.

Moreover, such combination of Stacey and Thanawala teaches away from the claimed invention, as explained more fully below.

Notwithstanding the foregoing, the Office Action of 4/30/01 states at page 4 thereof that “the examiner provided the motivations for combining the references....”

Because the final rejection fails to assert any motivation for combining the references, it is respectfully submitted that a prime facie case of obviousness has not been made.

The burden of establishing obviousness rests upon the Examiner espousing such. *Stratoflex Inc. v Aeroquip Corp.*, 713 F. 2d at 1534, 218 USPQ at 875 (Fed. Cir. 1983).

In addition, where the Examiner asserting obviousness must rely upon a combination of prior art references to establish obviousness, the Examiner bears the burden of showing some teaching or suggestion in these references which support their use in combination. *W.L. Gore & Assocs., Inc v. Garlock, Inc.*, 721 F. 2d at 1552, 220 USPQ at 312. It is legal error to place this burden on the applicant.

The genius of invention is often a combination of known elements, which in hindsight seems preordained. To prevent hindsight invalidation of patent claims, the law requires some “teaching, suggestion or reason” to combine cited references. *Gambro Lundia AB v. Baxter Healthcare Corp.*, 110 F.3d 1573, 1579, 42 USPQ2d 1378, 1383 (Fed. Cir. 1997).

The opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously. *In re Dembiczak*, 175 F. 3d 994, 999, 50 USPQ2d 1614, 1617 (Fed. Cir. 1999); *In re Gartside*, 203 F.3d 1305, 53 USPQ 2d 1769 (2000) (guarding against falling victim to the insidious effect of a hindsight syndrome wherein that which only the inventor taught is used against its teacher).

Whether a motivation to combine prior art references has been demonstrated is a question of fact. *Winner International Royalty Corp. v. Wang*, 202 F.3d 1340, 1348, 53 USPQ2d 1580, 1586 (Fed. Cir. 2000).

It is impermissible for the Examiner to first ascertain factually what applicant did, and then

view the prior art in such a manner as to select from the random facts of that art only those which may be modified and then utilized to reconstruct applicant's invention from such prior art. In re Shuman, 361 F.2d 1008, 1012, 150 USPQ 54, 57 (CCPA 1966).

The test to be applied is whether the claimed invention would have been obvious to one skilled in the art when the invention was made, not to an Examiner after learning all about the invention. Stratoflex, Inc. v. Aeroquip Corp., 713 F.2d 1530, 1538, 218 USPQ 871, 879 (Fed. Cir. 1983).

Inventions must be held to be nonobvious where neither any reference, considered in its entirety, nor the prior art as a whole, suggested the combination claimed. Fromson v. Advance Offset Plate, Inc., 755 F.2d 1549, 1556, 225 USPQ 26, 31 (Fed. Cir. 1985); ACS Hospital Systems, Inc. v. Montefiore Hospital, 732 F.2d 1572, 1577, 221 USPQ 929, 932-33 (Fed. Cir. 1984).

Nowhere does the final rejection indicate where in the prior art there might be a suggestion of combining teachings of the individual references, or how, if there was such a suggestion, such combination would equal any invention claimed by applicant.

The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on applicant's disclosure. In re Vaeck, 947 F.2d 488, 20 USPQ2d 1438.

It is respectfully submitted that the final rejection is also in error: in considering the claims in less than their entireties; in considering the references in less than their entireties; and in disregarding disclosures in the references that diverge from and teach away from the invention at hand. W.L. Gore & Assocs., Inc. v. Garlock, Inc., 721 F. 2d at 1550, 1552, 221 USPQ at 311.

The 1974 Stacey reference teaches away from the applicant's invention.

Applicant's rejected claims require, amongst other things, a completely-passive parallel resonant circuit having three passive electrical branches connected in parallel, and one or more non-

linear loads. In contrast, the 1974 Stacey reference and the 1975 Thanawala reference, taken singly or in combination, teach away from applicant's claimed invention.

In particular, Stacey states at column 1, lines 13-26: "In the past, most filters of this type employed only passive components (e.g., inductors and capacitors).... Unfortunately, however, in high power, low frequency applications, the value, size and rating of the shunt capacitor as well as the extra KVAR demand on the alternating current source becomes excessively high to warrant any practical use of this arrangement."

Furthermore, Stacey also states at column 2, lines 16-19: "In accordance with the present invention, the hybrid filter arrangement for high power application is provided which employs both active and passive elements while at the same time overcoming the main disadvantages of each when used separately."

Thus, it is clear that Stacey teaches away from using only passive elements.

Moreover, the final rejection, for the first time, asserts at page 3 that "the reference explicitly discloses that an active element is unnecessary when there is but one harmonic frequency." It is respectfully submitted that this assertion is false. Nowhere does Stacey explicitly disclose that an active element is unnecessary when there is but one harmonic frequency.

In contrast, Stacey states, at column 7, lines 5-10: "Of course, if the elements 60 and 62 are exactly tuned to the ripple frequency, and assuming that only one ripple frequency exists, then if the internal resistance of the passive elements is zero, the active element 28' will not come into play as is the case with the circuits previously described." (Emphasis added).

This statement by Stacey is not a disclosure that an active element is not necessary when there is but one harmonic frequency.

In addition, the artisan would know that this statement by Stacey assumes things which are not scientifically and practically correct, and do not reflect the real world.

First, the assumption that only one ripple frequency exists is false because more than one ripple frequency always exists.

Secondly, the assumption that the internal resistance of the passive elements is zero is also scientifically incorrect, because the internal resistance of the passive elements is never zero.

Furthermore, even if the Stacey assumptions were correct, which they are not, the assertion by Stacey that the active element 28' will not come into play is not a teaching or suggestion to remove the active element 28' and substitute therefor a passive resistor.

Also, Stacey discloses a linear load (Stacey column 3, line 37), and not one or more non-linear loads as required by applicant's rejected claims.

The final rejection is completely silent as to what Thanawala allegedly contributes to the nonobviousness rejection.

Issue No. 2: - Are claims 22, 26, 29 and 39 properly rejected on the ground of res judicata?

The final rejection asserts, for the first time, the ground of res judicata. Applicant respectfully traverse this belated res judicata rejection for the reasons set forth below.

The final rejection fails to make any showing of an identity of the issues presented for adjudication and the issues previously decided. Res judicata requires a showing of an identity of the issues presented for adjudication and issues previously decided. In re Hellbaum, 54 CCPA 1051, 371 F.2d 1022, 152 USPQ 572 (1967); In re Fried, 50 CCPA 954, 312 F.2d 930, 136 USPQ 429 (1963). Here, there is no such identity of such issues, and in addition, the final rejection fails to make any showing or even assert any alleged identity of such issues.

The claims considered by the Board in Appeal No. 1997-1187 are not identical to the claims rejected by the present final rejection.

Furthermore, there is no identity between the record previously before the Board and the record herein.

There is also no identity between the evidence as a whole previously before the Board, and the evidence as a whole herein, including the evidence of secondary considerations going to the issue of obviousness/nonobviousness. Such evidence of secondary considerations going to the issue of obviousness/nonobviousness must be considered prior to reaching a conclusion of obviousness/nonobviousness, and such evidence was not previously before the Board. In re Herr, 377 F.2d 610, 153 USPQ 548 (CCPA 1967); In re Russell, 169 USPQ 426 (CCPA 1971); Fromson, 755 F. 2d at 1556-57, 225 USPQ 32; W.L. Gore, 721 F.2d at 1555, 220 USPQ 314.

In addition, even if the final rejection made a showing of identity of the issues presented for adjudication and the issues previously decided which is required by a proper rejection of res judicata (which the final rejection does not), the rejection on the ground of res judicata had been waived by the Examiner. If res judicata was applicable in the present case, the Examiner should have made such rejection in the first Office Action, and indeed should have made such first Office Action on the ground of res judicata as a final rejection, which the Examiner did not. Thus, for this reason alone, it is respectfully submitted that the belated rejection on the ground of res judicata has been waived. In re Kaghan, 387 F.2d 398, 156 USPQ 130 (CCPA 1967).

Issue No. 3: - Does the decision rendered 7/25/00 (pages 3-14) address all the arguments reiterated in the remarked (sic) filed 8/2/401(sic), as alleged in item 4(a) of the final rejection?

In order not to unduly increase the number of pages of the present Brief, all of the paragraphs of pages 3-14 of the decision rendered 7/25/00 and all of the paragraphs appearing on pages 2-4 of the Remarks of Amendment-C filed 8/24/01 will not be repeated in the present Brief,.

However, a comparison of pages 3-14 of the decision rendered 7/25/00 and pages 2-4 of the Remarks filed 8/24/01 clearly reveals that pages 3-14 of the decision rendered 7/25/00 do not address all the arguments set forth in the Remarks filed herein on 8/24/01.

Thus, it is respectfully submitted that the Examiner's allegation in the first sentence of item

4(a) of the final rejection is not true.

Issue No. 4: - Which declaration is referred to in item 4(b) of the final rejection?

Prior to the final rejection, applicant filed three declarations, viz., the Lowenstein Declaration, the Kraus Declaration, and the Pirrone Declaration. The final rejection refers to an unidentified declaration in the singular, and thus the record is unclear as to which declaration the Examiner considered before rendering the final rejection.

However, it would appear from the final rejection that the singular declaration referred to in the final rejection may have been the Lowenstein Declaration, which is mentioned in applicant's arguments filed 3/30/01. In support thereof, attention is directed to the first sentence of item 4 of the final rejection which states "Applicant's arguments filed 3/30/01 have been fully considered but they are not persuasive".

In light of the foregoing, it would appear that the Examiner did not consider all three declarations before rendering the final rejection. Such evidence of secondary consideration going to the issue of obviousness/nonobviousness must be considered prior to reaching a conclusion of obviousness/nonobviousness. In re Herr, 377 F.2d 610, 153 USPQ 548 (CCPA 1967); In re Russell, 169 USPQ 426 (CCPA 1971); Fromson, 755 F. 2d at 1556-57, 225 USPQ 32; W.L. Gore, 721 F.2d at 1555, 220 USPQ 314.

Issue No. 5: - Are the facts presented by the unidentified declaration not germane to the rejection at issue, as alleged in item 4(b)(i) of the final rejection?

The Examiner contends that the facts presented in an unidentified declaration are not germane to the rejection at issue.

First, it is necessary to try to identify to which declaration the Examiner refers. Prior to the final rejection, applicants filed the Lowenstein Declaration, the Kraus Declaration, and the Pirrone Declaration to establish evidence of non-obviousness based upon secondary considerations. The

final rejection does not identify to which declaration the Examiner refers. It is respectfully submitted that this violates 37 CFR 1.113(b) which requires that the final rejection state all grounds of rejection and clearly state the reasons in support thereof.

This was called to the Examiner's attention in Items 7 and 8 on page 2 of the Response Under 37 CFR 1.116 dated 1/9/02, which applicant concludes with "Favorable consideration is respectfully requested".

This was again called to the Examiner's attention in Items 7 and 8 on page 6 of the Brief on Appeal dated 3/8/02, in which the applicant also points out that "the final rejection was premature" at page 5 thereof.

Many months later, the Examiner attempts to belatedly cure this problem by contending that "Issues 4-5, item 4(b) of the Final Rejection of 9/10/01 applies to all three declarations by Lowenstein, Kraus, and Pirrone." (7/30/02 Office Action).

However, the above-stated violation of 37 CFR 1.113(b) cannot be cured by this belated attempt by the Examiner. Moreover, it is respectfully submitted that reference to the final rejection itself shows that the belated 7/30/02 statement by the Examiner is false.

The final rejection refers to a single declaration, and not to all three declarations as belatedly contended by the Examiner.

In particular, the declaration is referred to in the singular throughout item 4(b) of the final rejection. Indeed, if item 4(b) of the final rejection applied to all three declarations, then the declarations would have been referred to in the plural, but they were not.

In addition, item 4(b)(ii) states "It includes", rather than "They include" if three declarations were referred to.

Also, item 4(b)(iii) of the final rejection states "It states", rather than "They state" if three declarations were referred to.

Again, item 4(b)(iv) of the final rejection states "The declaration fails", rather than "The declarations fail" if three declarations were referred to.

Applicant respectfully submits that the final rejection refers only to a single declaration, and that the Examiner did not consider all three declarations before issuing the final rejection.

Applicant's arguments filed 3/30/01 mentions, at page 8 thereof that "It is respectfully submitted that the unobviousness of amended claims 22, 26, 29 and 39 is further supported by the Declaration Re Commercial Success and Acclaim submitted herewith", which were accompanied by the single Lowenstein Declaration. Applicant respectfully submits that the declaration referred to in the final rejection may have been the single Lowenstein Declaration filed 3/30/01 because the opening sentence of item 4 of the final rejection states "Applicant's arguments filed 3/30/01 have been fully considered but they are not persuasive." It would follow from this that the Examiner did not consider the Kraus and Pirrone Declarations (which were filed 8/22/01) before issuing the final rejection.

Notwithstanding the foregoing, item 4(b)(i) of the final rejection alleges that the facts presented by the unidentified declaration are not germane to the rejection at issue; without identifying the declaration, and without stating why the facts presented by the unidentified declaration are not germane to the rejection at issue. This also violates 37 CFR 1.113(b) which requires that the final rejection state all grounds of rejection and clearly state the reasons in support thereof.

The rejection at issue is the rejection of claims 22, 26, 29 and 39 under 35 USC 103 in light of the three declarations under 37 CFR 1.132 to establish evidence of non-obviousness based upon secondary considerations.

Without belaboring the record by repeating all of the facts stated in the Lowenstein Declaration, applicant respectfully submits that reference to the facts in the Lowenstein Declaration clearly shows that they are germane to the rejection at issue.

As clearly shown above, the Examiner failed to consider the Kraus and Pirrone Declarations before issuing the final rejection, and such final rejection does not refer to or identify the Kraus and Pirrone Declarations. This is further supported by referring to the facts presented in the Kraus and Pirrone Declarations which clearly are germane to the rejection at issue. Again, applicant will not belabor the record by repeating all of the facts in the Kraus and Pirrone Declarations, but reference thereto clearly shows that they are germane to the rejection at issue.

Issue No. 6: - Does the unidentified declaration include statements which amount to an affirmation that the claimed subject matter functions as it was intended to function, as alleged in item 4(b)(ii) of the final rejection?

The final rejection fails to identify the declaration referred to in item 4(b)(ii), and fails to identify which statements are alleged to amount to an affirmation that the claimed subject matter functions as it was intended to function. Thus, applicant and this Board are poorly circumstanced to determine the veracity of the item 4(b)(ii) allegation.

Notwithstanding the foregoing, it is respectfully submitted that the fact that a declaration may include, among other things, statements which amount to an affirmation that the claimed subject matter functions as it was intended to function, is not an infirmity.

Issue No. 7: - Does the unidentified declaration: state that the claimed subject matter solved a problem that was long-standing in the art; make no showing that others of ordinary skill in the art were working on the problem and if so, for how long; make no showing that persons

skilled in the art who were presumably working on the problem knew of the teachings of the above cited references and still were unable to solve the problem; as alleged in item 4(b)(iii) of the final rejection?

Item 4(b)(iii) of the final rejection contends that the unidentified declaration states: “that the claimed subject matter solved a problem that was long standing in the art. However, there is no showing that others of ordinary skill in the art were working on the problem and, if so, for how long. In addition, there is no showing that persons skilled in the art who were presumably working on the problem knew of the teachings of the above cited references and still were unable to solve the problem.”

First, the law presumes that artisans knows of the teachings of the cited references.

“The issue of obviousness is determined entirely with reference to a hypothetical ‘person having ordinary skill in the art.’ It is only that hypothetical person who is presumed to be aware of all of the pertinent prior art.” The Standard Oil Company v. American Cyanamid Company, 227 USPQ 293, 297 (CAFC 1985). (Emphasis added).

Secondly, the three previously-filed declarations deal with all of the matters mentioned in item 4(b)(iii) of the final rejection.

However, if the Examiner believed that the unidentified declaration did not address the newly raised item 4(b)(iii) issues, then that is precisely why the Examiner should have considered the DeDad Declaration (filed 1/9/02) together with the material attached thereto which more specifically deals with the items complained of in item 4(b)(iii) of the final rejection.

Finally, there is no authority for the proposition that all of the items mentioned in item 4(b)(iii) of the final rejection must be set out within the four corners of a single declaration, nor that all of such secondary considerations be stated within the four corners of a single declaration setting forth evidence of secondary considerations.

Issue No. 8: - Does the unidentified declaration fail to prove that the commercial success is due to the merits of the claimed invention and not the marketing of the product itself, as alleged in item 4(b)(iv) of the final rejection?

Item 4(b)(iv) of the final rejection states: "The declaration fails to prove that the commercial success is due to the merits of the claimed invention and not the marketing of the product itself." Again, Applicant does not know and the Board does not know which declaration is referred to. Notwithstanding the foregoing, and in contrast to item 4(b)(iv) of the final rejection, attention is directed to paragraphs 11-14 of the Lowenstein Declaration, paragraphs 9-11 of the Kraus Declaration, and paragraphs 9-11 of the Pirroni Declaration, which show that the commercial success is due to the merits of the claimed invention and not the marketing of the product itself.

Furthermore, the Advisory Action of 2/22/02 says the DeDad Declaration will not be considered because it is not directly solely to issues which were newly raised by the Examiner in the final rejection. In contrast, item 4 of the final rejection raises new issues to which the DeDad Declaration is specifically directed. For example, the DeDad Declaration (not considered by the Examiner) specifically states:

"5. Harmonics Limited has advertised only twice in EC&M Magazine, in the September and October 2000 issues. Prior and subsequent to these issues, Harmonics Limited has had no major advertising in any Primedia magazine.

"6. The commercial success of the INVENTION is based on the advantage of its technology, which eliminates the need to replace existing branch circuit wiring or increase neutral conductors, and redistribute existing loads on existing delta-wye transformers. The initial cost of the above coping methods is saved through the application of the INVENTION. Other technologies involve the use of tuned filters in harmonics mitigating systems that are application unique, depending on the harmonics present and their magnitude."

Another example are the articles (attached to the DeDad Declaration) which are directed to and rebut the new issues raised by item 4(b)(iii) of the final rejection.

The objections to the unidentified declaration raised in item 4b of the final rejection amount to mere argument and conjecture which are insufficient. Where the marketed product embodies the claimed features and is coextensive with them, then a nexus is presumed, and the burden shifts to the Examiner asserting obviousness to present evidence to rebut the presumed nexus. *J.T. Eaton & Co. v. Atlantic Paste & Glue Co.*, 106 F.3d 1563, 1571, 41 USPQ2d, 1641, 1647; *Demaco Corp. v. F. Von Langsdorff Licensing Ltd.*, 851 F.2d 1387, 1392- 93, 7 USPQ2d 1222, 1226. The final rejection presents no evidence to rebut the presumed nexus.

The presumed nexus cannot be rebutted with mere argument; evidence must be put forward. *Demaco*, 851 F.2d at 1393, 7 USPQ2d at 1226-27 ("It is thus the task of the challenger to adduce evidence.... Argument and conjecture are insufficient."). In the present case, the nexus that the commercial success of the invention is due to the merits of the claimed invention is clear from the presumption and the several declarations as filed.

In addition to the secondary consideration of commercial success, industry acceptance is also evidence of nonobviousness. *Diversitech Corp. v. Century Steps, Inc.*, 850 F.2d 675, 679, 7 USPQ2d 1315, 1319 (Fed. Cir. 1988). The Lowenstein, Kraus, and Pirrone Declarations, as well as the DeDad Declaration (not considered by the Examiner), show clear evidence of industry acceptance of the invention.

Issue No. 9: - Which declaration, if any, is included in "the totality of the rebuttal evidence of nonobviousness" mentioned in the last sentence of item 4 of the final rejection?

Applicant incorporates by reference thereto the arguments set forth above with respect to Issues 4-8.

Issue No. 10: - Does the totality of the rebuttal evidence of nonobviousness fail to outweigh the evidence of obviousness, as alleged in the last sentence of item 4 of the final rejection?

Applicant incorporates herein the remarks set forth above with respect to Issues 4-9.

In addition, applicant respectfully submits the following.

The final rejection at item 4a(iv) states an incomplete quotation from the decision rendered 7/25/00. The complete quotation of the decision of 7/25/00 (page 8, lines 1-5) states: “We find upon consideration of the evidence as a whole that the artisan would have recognized, as a suggested solution to the stated problems, three identical filters having three passive elements in the configuration of Figure 5 of Stacey - - one filter for each phase of a three phase system.” Emphasis has been added to underscore the portion omitted in the final rejection.

Again, it is important to note that the evidence as a whole previously before the Board was not the evidence as a whole for the final rejection herein. The present evidence as a whole includes several declarations of secondary considerations.

ARGUMENT IN SUPPORT OF GROUPING OF CLAIMS:

It is respectfully submitted that the rejected claim 39 should be separately considered because independent claim 39 additionally requires “a housing member for said completely-passive power resonant circuit; and means for connecting the nonlinear load to said completely-passive power resonant circuit”.

It is respectfully submitted that such quoted features are not disclosed or made obvious by the cited art.

CONCLUSION:

For the foregoing reasons, appellant respectfully submits that the rejection of claims 22, 26, 29 and 39 is in error and should be reversed.

This Appeal Brief is accompanied by an Appendix which presents a clean copy of the claims involved in the appeal.

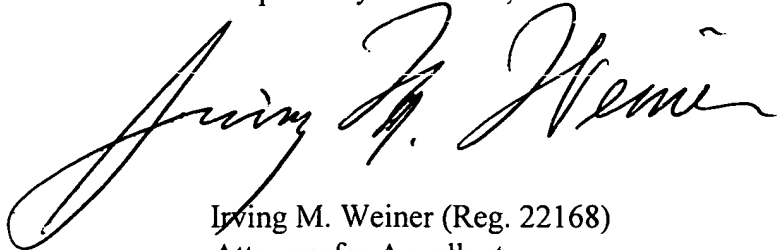
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Appellant enclosed a FD-2038 form to cover the fee for the Appeal Brief with the original Appeal Brief filed 3/8/02.

Appellant encloses herewith three copies of this Brief on Appeal and its Appendix.

Favorable consideration and reversal of the final rejection are earnestly requested.

Respectfully submitted,

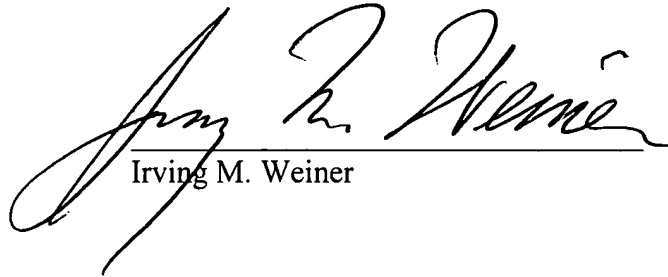


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Certificate of Mailing

I hereby certify that three copies of the foregoing Brief on Appeal and its Appendix were sent to Box AF, Assistant Commissioner for Patents, Washington, D.C. 20231, on August 29, 2002 by first class mail.


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APPENDIX

22. In a multiple phase electrical system for supplying power from an AC source to one or more nonlinear loads connected to at least one phase line therein, a device for substantially eliminating currents in a neutral wire, said device comprising:

a first completely-passive parallel resonant circuit having three passive electrical branches connected in parallel;

said first completely-passive parallel resonant circuit is tuned to a third harmonic frequency or a fundamental frequency of said AC source; and

said three passive electrical branches comprise a first branch consisting of a capacitor, a second branch consisting of a reactor, and a third branch consisting of a resistor.

26. A device according to claim 22 wherein:

each phase line of said multiple phase electrical system supplies power to an associated one of said nonlinear loads;

said device includes a second completely-passive parallel resonant circuit and a third completely-passive parallel resonant circuit;

each of said first, second and third completely-passive parallel resonant circuits is connected along a separate phase line of said multiple phase electrical system in series with at least one of said nonlinear loads whose power is supplied by said separate phase line; and

each of said first, second and third completely-passive parallel resonant circuits is tuned to said predetermined harmonic frequency of said fundamental frequency of said AC source.

29. A device for substantially eliminating a predetermined harmonic current generated by a nonlinear load in an electrical distribution system which distributes power from an AC source, said device comprising:

a completely-passive parallel resonant circuit connected in series with said nonlinear load;

said completely -passive parallel resonant circuit comprises three completely-passive electrical branches;

said completely-passive parallel resonant circuit is tuned to a third harmonic frequency of a fundamental frequency of said AC source to change the current drawn by said nonlinear load; and

said three completely-passive electrical branches comprise a first branch consisting of a capacitor, a second branch consisting of a reactor, and a third branch consisting of a resistor.

39. A device for reducing currents in an electrical system which supplies power to a nonlinear load from an AC source, comprising:

a completely-passive parallel resonant circuit connected in series with said nonlinear load;

said completely-passive parallel resonant circuit comprises three completely-passive electrical branches;

said completely-passive parallel resonant circuit is tuned to a third harmonic frequency of said AC source to change the current drawn by said nonlinear load;

a housing member for said completely-passive parallel resonant circuit; and

means for connecting the nonlinear load to said completely-passive parallel resonant circuit.